

SUMMARY OF LOCAL HOUSING NEEDS, GOALS, & STRATEGIES

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INTRODUCTION

Based on a review of Grafton's current and past relevant planning documents related to affordable housing, which include the 2013 Housing Production Plan, 2006 Housing Production Plan, and 2001 Comprehensive Plan, JM Goldson prepared this summary of local housing needs, goals, and strategies. This summary is in preparation for community engagement efforts to solicit public input that will help identify priority initiatives to include in Grafton Affordable Housing Trust's action plan 2016-2020.

LOCAL HOUSING NEEDS

The 2013 Housing Production Plan (2013 HPP) presents the most recent analysis of priority local housing needs. The 2013 HPP describes the following characteristics and trends as indicators of housing need:

- Grafton's population is growing and is expected to continue to grow. Grafton's 2010 population was 17,765 and is projected to grow to a total population of 22,210 by 204.
- Grafton's population is still primarily white with the largest minority growth in people with Asian descent.
- Largest increase is in middle-aged residents (45-64 years) – growing at a rate about double the population growth.
- Meanwhile, the population of children under age 18 have decreased as a percent of total population while increasing in absolute numbers.
- Roughly 2,000 households in Grafton have low-incomes - below 80% of the Area Median Income - however, there are only 313 affordable units. Of these low-income households, there are about 1,150 residents living below the poverty level, many of which are children.
- Housing options are primarily limited to owner-occupied single-family houses – Only roughly 25% of the housing stock is rental and about 75% of the housing stock is single-family.
- More than 1,800 households were paying more than 30% of income towards housing costs – this is considered cost burdened. More than 50% of Grafton's low-income households were estimated to be cost burdened.
- Of the total 6,516 housing units in Grafton, about 1,250 single families and condos, or 19% of total units, had assessed values within a range affordable to low-income households.
- Rental units were found to be limited and ranged in rent from \$1,250 to \$1,475 per month.

These characteristics and trends suggest a significant need for:

- **Affordable rental housing**
- **Assistance for first-time homeowners**
- **Greater handicapped accessibility and supportive services for the disabled and an increasingly aging population**
- **Support for lower income homeowners with pressing home repair problems**

HOUSING GOALS & STRATEGIES

As described in the 2013 HPP, Grafton's housing production goal is to create 36 housing units per year that count on the state's Subsidized Housing Inventory. According to the Building Permits Survey (as reported by the U.S. Census Bureau), Grafton has only issued an average of 57 units per year – all for single-family units. The strategies recommendations incorporated in the 2013 HPP fall into four categories:

- 1) planning and regulatory reform
- 2) housing development
- 3) housing preservation
- 4) direct assistance.

The strategies are targeted to produce a goal of 142 affordable units over 5 years (2013-2017), roughly 28 affordable units per year (not counting units that may be counted on the SHI but not restricted as affordable to low-income households).

Strategies for Consideration as Trust Priorities

JM Goldson recommends the following strategies, which are included in the 2013 plan, be considered as possibilities for incorporation in the Trust's Action Plan through the Trust's planning and community engagement process with anticipation that the community will narrow this list to the highest priorities that are practical to accomplish. The strategies recommended here for trust consideration focus on housing development and housing preservation.

Housing Development

Make Town-owned land available for affordable housing

- The 2013 HPP offers a list of 14 Town-owned properties to consider for development of affordable housing.
- Properties include land on Suzanne Terrace, Sunset Lane, Providence Road, Waterville Street, Upton Street, Windle Ave, Snow Road, Greany Drive, Institute Road, Worcester Street, among others. Together the potential properties included in the 2013 HPP make up roughly 75 acres.

- The Trust could further this initiative by funding predevelopment activities (such as feasibility studies) and through Town transfer of buildable land to the Trust. The Trust would then issue an RFP seeking development proposals.

Support private scattered-site housing

- Focusing on subsidizing new housing development on small infill parcels. This type of project could include supporting the development of a local or regional housing organization such as Habitat for Humanity or organizations that support special needs housing.
- The Trust could further this initiative by acquiring developable land and offering it through RFP to a qualified developer or organization. Or, by issuing an RFP seeking such small infill development proposals on private property.

Support “friendly” 40B projects

- Trust funds can be allocated to secure additional affordable units in 40B developments beyond the 20-25% level typical to 40B developments.
- The Trust, in order to comply with c.30B, would issue an RFP seeking developers with approved 40B projects interested in Trust funds to buy-down proposed market rate units to affordable units.
- Such a “friendly” 40B project could be located within the Village Mixed-Use District in South Grafton to promote transit oriented and smart growth development.
- There may also be opportunities for adaptive reuse of existing buildings to affordable housing in underutilized state-owned parcels in the northern section of Grafton.

Housing Preservation

Monitor affordability of Subsidized Housing Inventory (SHI)

- Per the the Town’s Local Initiative Program (LIP) Procedure Manual, the Trust is responsible for monitoring the Town’s rental and ownership units that were produced through the state’s LIP program as “friendly” 40B projects. According to the Town’s list of ***Projects with Affordable Housing Units Status Report: September 23, 2015***, the Town has approved two LIP projects – Flint Pond

Estates with 18 affordable units and Peter Estates with 2 affordable units. Both are ownership projects.

Convert existing housing units to affordable units

- First time homebuyer assistance programs and buy-down programs can convert existing homes to permanently restricted affordable units that count on the state's SHI.
 - Homebuyer Assistance: This type of program provides a subsidy to qualified households to write-down a mortgage to an affordable level. In return, a permanent deed restriction would be required to ensure the unit remains affordable upon resale.
 - Buy-down Program: This type of program involves purchasing housing units and reselling the units to qualified households as affordable deed-restricted units that count on the SHI. Buy-down programs will often require some rehabilitation costs to bring units up to code.
- With Grafton's affordability gap for a 3-person household to afford a single-family house is between \$87,000 and \$119,000 (depending on the level of financing assumed) and for a condo is about \$40,000. This indicates the subsidy required to write-down the cost of a market-rate unit near the town's median sales price would be near \$100,000 per unit for a single family and about \$40,000 for a condominium – note this does not include rehab or carrying costs that may be associated with a Buy-down Program, nor does it include program administration, marketing, and resident selection costs.

SUMMARY OF THE TRUST'S ACCOMPLISHMENTS

The Grafton Affordable Housing Trust has been organized and active in its deliberations and considerations of trust activities. It has accomplished much since its first active year (2007). Below is a summary of accomplishments categorized by 1) planning and community outreach and 2) assessments of possible sites for housing development.

Planning & Community Outreach

- Implementation of Phase I of the 2006 HPP including development of an Affordable Housing Procedures Manual and Affordable Accessory Apartment Bylaw review.
- Prepared Action Plan based on 2006 HPP recommendations.
- With staff support, developed database inventory of existing and planned affordable units.
- Annual Public Workshop to get community feedback on implementation of 2006 HPP and Trust activities.
- Created informational brochure.
- Met with Senior Center staff and Friends of Grafton Elders to discuss senior assistance program. Such a program is not Trust fund eligible without deed restriction to create affordable unit.
- Contract with consultant to create 2013 HPP.

Assessments of Possible Sites for Housing Development

- Phase I Environmental Site Assessment of 100 Elmwood Street
- Consideration of tax title property as possible transfer of a condo from town to Trust for purpose of deed restricting and selling as an affordable unit at 395 Providence Road. Trust voted to decline transfer due to condition of the unit based on inspections.
- 11-13 Suzanne Terrace: Investigation into feasibility for development. Identified encroachment issues from abutter. Performed test soil borings. Planning Board voted to release lots for further investigation. Lots originally designated as play area, but legal determined that local action was

appropriate. Discovery that construction waste was dumped on site. Determined that septic would be expensive due to soil types and composition. Failed to advance.

- Met with representatives from Habitat for Humanity, American Hellenic Educational Progressive Association National Housing Program, and Grafton Housing Authority to discuss possible development projects.
- Developed RFP to enable trust to negotiate with 40B developers to create additional affordable units as part of their development plan.
- 25 Worcester Street: Trust advocated for development of affordable housing on this town-owned property.
- Old State Hospital: Trust explored possibility of developing affordable housing on this property.
- Fisherville Mill Site: Met with developer to explore options to support development of affordable units. Continue to consider.

Unit Preservation

- Trust attempted to preserve a unit at Hilltop Farms as affordable but was outbid by private contractor. Subsequently, however, the Trust successfully negotiated the purchase of 30 Tulip Circle, executed the Universal Deed Rider, and reinstated the unit to count on the Subsidized Housing Inventory.
- Trust and staff continue to monitor resale units for preservation upon resale, particularly at Hilltop Farms.

Trust's Role under LIP to Review 40B Proposals

The Trust also reviewed multiple 40B proposals in its role under LIP. In addition, the Trust and staff assisted with various housing lotteries for affordable units including for the Peter Estates subdivision and executing new Universal Deed Riders for resale units at Hilltop Farms on Milford Road.